

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1273

IN THE MATTER OF:

|                               |   |                        |
|-------------------------------|---|------------------------|
| Application of D. C. Transit  | ) | Served August 16, 1973 |
| System, Inc., for Temporary   | ) |                        |
| Authority to Establish Sight- | ) |                        |
| seeing Service                | ) | Application No. 806    |

|                                  |   |                     |
|----------------------------------|---|---------------------|
| Application of Washington,       | ) |                     |
| Virginia and Maryland Coach Co., | ) |                     |
| Inc. for Temporary Authority to  | ) |                     |
| Suspend Sightseeing Service      | ) | Application No. 807 |

D. C. Transit System, Inc. (Transit) has applied for temporary operating authority, in accordance with Article XII, Section 4(d)(3) of the Compact, to operate the individually ticketed sightseeing service now authorized by Certificate of Public Convenience and Necessity No. 4-A held by its wholly owned subsidiary, Washington, Virginia and Maryland Coach Company, Inc. (WV&M). Contingent upon favorable disposition of Transit's application, WV&M seeks authority, in accordance with Section 4(i) of the Compact, to suspend temporarily individually ticketed sightseeing service over the routes set forth in its currently effective certificate. Because of the obvious inter-relation between the two applications, we have treated them together for purposes of disposition and, for reasons which follow, we have decided to grant both applications.

For a number of years, both Transit and WV&M operated regular route service between specified points in the Washington Metropolitan Area. Transit's routes were principally intra-District of

Columbia, although the carrier also serviced points in Maryland. WV&M's routes were principally between points in suburban Virginia, on the one hand, and points in the District of Columbia, on the other hand. Both carriers operated charter and sightseeing services in conjunction with their regular route operations, although sightseeing service played a relatively minor role in the carriers' overall transportation service.

As a result of the passage of the National Capital Area Transit Act of 1972, P.L. 92-517, both Transit and WV&M found their regular route service and their operating equipment condemned by public authorities. As we held in Orders Nos. 1260 and 1261, issued on June 29, 1972, the only operating rights retained by Transit and WV&M following condemnation were those permitting specified individually ticketed sightseeing service. Both carriers have now completely revamped their transportation services changing from regular route service to individually ticketed sightseeing service. To accomplish this radical change in the mode of operation, Transit has purchased five sightseeing buses and has entered into an agreement with WV&M to lease one such bus to that company. These applications, which we emphasize are for a temporary period, arise because of the difficulties which the carriers have encountered in adjusting their operations to individually ticketed sightseeing services.

Transit is today certificated to provide individually ticketed sightseeing service from points in the District of Columbia and certain points in the Maryland suburbs to any point in the Washington Metropolitan Area. Transit, however, may not originate individually ticketed sightseeing trips in suburban Virginia although it may travel to Virginia after boarding individually ticketed sightseeing passengers in either the District of Columbia or specified Maryland points. By contrast, Transit's subsidiary, WV&M may originate individually ticketed sightseeing trips at specified points in suburban Virginia destined to any points in the Washington Metropolitan Area, but WV&M may not originate such trips in the District of Columbia although it may travel to the District of Columbia after boarding individually ticketed sightseeing passengers at specified Virginia points.

. From an operational standpoint, these certificate restrictions pose serious difficulties for the carriers, particularly at this time of transition in their respective operations. Although one or the other of the two carriers may originate individually ticketed sightseeing passengers in the District of Columbia and points in suburban Virginia, no one bus may combine on a single sightseeing trip, passengers originating at both points. The result is the operation of separate vehicles, one by Transit originating in the District of Columbia and one by WV&M originating in Virginia. The predictable consequence is less efficient equipment utilization with an increased operating expense as the result.

The applications before us are temporary ones. The companies have represented to us that serious consideration is now being given to "the feasibility of a lasting combination of their sightseeing properties or any part thereof." Such a study and the implementation of whatever corporate decisions are reached by the filing of appropriate applications must be accomplished quickly for, by statute, we cannot grant a temporary operating authority for a period exceeding 180 days. But, by granting such a temporary authority which would permit Transit, the parent company, to operate the sightseeing services now authorized by WV&M, its subsidiary, for a short transitional period of time, we hope to aid the carriers in formulating and implementing their corporate plans for long range individually ticketed sightseeing service. In order to permit us to consider whatever applications may be forthcoming, the carriers will, of necessity, have to complete their plans and present their applications in the near future. In the interim, however, we believe it entirely consistent with the public interest and our regulatory responsibilities to permit Transit temporarily to operate both the individually ticketed sightseeing services authorized by its own certificate as well as those services authorized by the certificate now held by WV&M. This is particularly the case since the grant of the temporary operating authority which Transit seeks will not result in any additional carrier service but will instead permit two carriers now under common ownership holding certificate authority from us to minimize their operating overhead by consolidating operations during the interim period while their long range corporate plans are being formulated and implemented. Under these very unique circumstances, we find an immediate and urgent need for the temporary operating authority which Transit

seeks. By the same token, we believe that suspension of WV&M's individually ticketed sightseeing operations during the period of time that such service is being provided by Transit is likewise in the public interest.

THEREFORE, IT IS ORDERED:

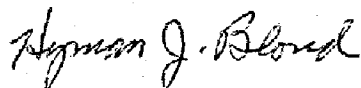
1. That D. C. Transit System, Inc., be, and it hereby is, granted temporary operating authority to conduct individually ticketed sightseeing services over the irregular routes now authorized in Certificate of Public Convenience and Necessity No.4-A held by the Washington, Virginia and Maryland Coach Company, Inc.

2. That Washington, Virginia and Maryland Coach Company, Inc., be, and it hereby is, authorized to suspend individually ticketed sightseeing services over the irregular routes now authorized in its Certificate of Public Convenience and Necessity No. 4-A.

3. That D. C. Transit System, Inc., be, and it hereby is, granted permission to file a tariff pursuant to the temporary operating authority granted herein on three-days notice without further order from the Commission.

4. That, unless sooner suspended, revoked or modified by subsequent order of the Commission, the authority herein granted respectively to D. C. Transit System, Inc. and Washington, Virginia and Maryland Coach Company, Inc., shall expire on January 31, 1974.

FOR THE COMMISSION:



HYMAN J. BLOND  
Executive Director